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FEDERAL ELECTION
COMMISSION
BEFORE THE FEDERAL ELECTION COMMISSION

American Democracy Legal Fund
455 Massachusetts Avenue, NW
Washington, DC 20001
Complainant,

2016 JUL 13 AM 9:45

OFFICE OF GENERAL
COUNSEL

v.

Senator Norm Coleman, Chairman
American Action Network, Inc.
1745 Pennsylvania Avenue, Fifth Floor
Washington, DC 20006

MUR # 7105

Caleb Crosby, Treasurer
American Action Network, Inc.
1745 Pennsylvania Avenue, Fifth Floor
Washington, DC 20006

Respondents.

COMPLAINT

This complaint is filed under 52 U.S.C. § 30109(a)(1) against American Action Network, Inc.; Senator Norm Coleman, in his official capacity as Chairman; and Caleb Crosby, in his official capacity as Treasurer, (collectively, "Respondents") for violating the Federal Election Campaign Act of 1971, as amended ("FECA") and Federal Election Commission ("FEC" or "Commission") regulations. On June 4, 2016, American Action Network, Inc. ("AAN") provided false information on its 24-hour independent expenditure report to the FEC. The Commission should investigate such a blatant violation of federal law.

I. FACTUAL BACKGROUND

The California Primary Election took place on June 7, 2016.¹ Helene Schneider was a Democratic candidate on the ballot for the 24th Congressional District.² Before the primary,

¹ Wilson Andres, Matthew Block, Jeremy Bowers, and Tom Giratikanon, "California Primary Results", THE N.Y. TIMES, <http://www.nytimes.com/elections/results/california>, last updated June 8, 2016.

² *Id.*

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registered Democrats received phone calls from AAN³ asking if AAN could count on their support for Helene Schneider's candidacy.⁴ However, on June 4, 2016, AAN filed its 24-hour independent expenditure report disclosing a \$25,000 expenditure for the purpose of making phone calls *in opposition* to Helen Schneider's candidacy.⁵

II. LEGAL ANALYSIS

It is clear that Respondents provided false information on their FEC Report. Federal law requires that "[a] person (including a political committee) that makes or contracts to make independent expenditures aggregating \$1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours." 52 U.S.C. § 30104(g)(1)(A). The term "person" includes an individual, partnership, committee, association, corporation, labor organization, or any other organization or group of persons. *Id.* § 30101(11). The content of the report must disclose "whether the independent expenditure is in **support of, or in opposition to**, the candidate involved[.]" *Id.* § 30104(c)(2)(A) (emphasis added); *see also* 11 C.F.R. § 109.10(e)(1)(iv). Any person who knowingly and willingly violates any provision of FECA involving the making, receiving, or reporting of any contribution aggregating more than \$25,000 in a calendar year is subject to up to five years in prison and fines. 52 U.S.C. § 30109(d)(1)(A).

Respondents filed the requisite report, but provided false information. They declared that the independent expenditure was made for the purposes of *opposing* a candidate, but instead

³ AAN's mission is: "to put center-right ideas into action by engaging the hearts and minds of the American people and spurring them into active participation in our democracy." *About*, American Action Network, <https://americanactionnetwork.org/about> (last visited June 10, 2016).

⁴ Kelsey Brugger, "Dem Voter Registration Jumps", THE SANTA BARBARA INDEPENDENT, <http://www.independent.com/news/2016/jun/06/primary-election-eve/>, June 7, 2016.

⁵ See FEC Form Schedule 5-E, Itemized Independent Expenditures, American Action Network, (June 4, 2016), available at: <http://docquery.fec.gov/pdf/486/201606049017470486/201606049017470486.pdf#iavpages=0>.

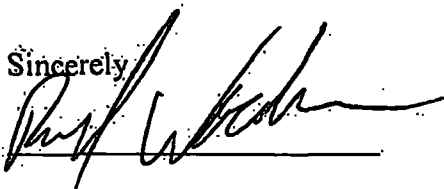
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placed calls *supporting* the very same candidate, deceiving the callers, the public, and the Commission. FECA-mandated disclosure reports are the only source of information the public has to determine whether an individual or entity is complying with FECA. The proper administration of FECA's reporting requirements includes providing truthful information. At the bottom of Form 5 for itemized expenditures, immediately under the signature line, the Commission clearly states that "[s]ubmission of false, erroneous or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g [now 52 U.S.C. § 30109]."⁶ Despite this clear and conspicuous disclaimer, AAN's treasurer, Caleb Crosby, signed the report that contained false information. AAN should be held accountable for its flagrant violation of federal law and regulations.


III. REQUESTED ACTION

As we have shown, Respondents have violated the Federal Election Campaign Act. We respectfully request the Commission investigate the violation, including whether it was knowing and willful. Should the Commission determine that Respondents have violated FECA, we request that Respondents be enjoined from further violations and be fined the maximum amount permitted by law. Additionally, should the Commission find a knowing and willful FECA violation, we request that the Commission refer this case to the Department of Justice for criminal prosecution.

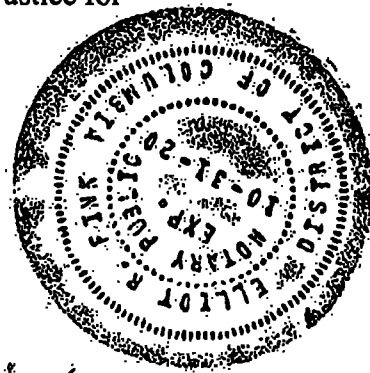
Sincerely,



SUBSCRIBED AND SWORN to before me this 16 day of June, 2016.


Notary Public

My Commission Expires: 6/30/2020



⁶ *Id.*